As a follow of the first India-EU Summit held in Lisbon in June 2000", trade/industry of both sides had undertaken a joint study of food processing, engineering, information technology and telecommunications sectors for enhancement of bilateral trade and investment. Similar joint studies in respect of textiles, biotechnology, financial services and energy have also been taken up at the business level. Such studies would help in identifying the constraints and bottlenecks and to chart suitable road maps for enhancement of bilateral trade and investment.

However, no specific trade target or time frame has been fixed for doubling of trade between the two regions.

Shifting of production facilities by MNCs

1373. SHRI A. VIJAYA RAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether some multinationals have shifted their production facilities to India;

(b) if so, the number of nature of production of the multinationals shifted during the last two years, year-wise;

(c) whether the low wages prevailing in South Asia including India is thereason for the above shifting of the multinationls; and

(d) if so, the action taken/proposed to be taken to protect labour's interest?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (d) Relocation of production facilities based on cost and efficiency considerations is a normal feature in the merging International Production System. Several foreign companies have set up manufacturing facilities in India, which include setting up of greenfield projects, acquisition of existing units and relocation of production facilities from overseas. Government does not give any specific approval for shifting of production facilities to India.

The mode of setting up commercial presence in India by a foreign company is determined by the route available under the extant FDI policy, *viz.,* Automatic route, FIPB route, NRI/OCB route. With regard to shifting

of plant & machinery from the overseas facility, the same is determined by the EXIM policy, which lays down the rules and procedures for use of the imported machinery.

As far as the protection of the interest of labour is concerned, the same is ensured by the labour laws, which are applicable to all companies incorporated in India.

Benefits from Export Processing Zones

1374. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of Export Processing Zones and Free Trade Zones in the country, State-wise;

(b) the benefits accrued to the country as a result of these zones during the last three years, year-wise and zone-wise;

(c) whether Government propose to establish any such new zones in Andhra Pradesh; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) In the Indian context, "Free Trade Zones" (FTZs) and "Export Processing Zones" (EPZs) are synonymous terms. There are at present four Export Processing Zones (EPZs) located at Noida (Uttar Pradesh), Chennai (Tamil Nadu), Visakhapatnam (Andhra Pradesh) and Falta (West Bengal).

(b) The exports generated by the zones during the last three years are given below:

Exports *(Rs. in crores)*

Zone	1999-200C	2000-2001	2001-2002
Noida EPZ	845.638C	1034.20	980.41
Madras EPZ	545.42	690.84	762.59